

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

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In re	:	Chapter 9
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CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
	:	
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**FINANCIAL GUARANTY INSURANCE COMPANY'S  
AMENDED LIST OF FACT WITNESSES FOR THE HEARING  
ON THE PROPOSED CONFIRMATION OF THE DEBTOR'S PLAN**

Financial Guaranty Insurance Company ("FGIC") hereby identifies the following individuals, exclusive of those to be offered for rebuttal purposes, as fact witnesses that FGIC expects to call at any evidentiary hearing on the Debtor's proposed Fourth Amended Plan for the Adjustment of Debts of the City of Detroit, as may be supplemented or amended, (the "Plan") and the subjects that each witness will address:

1. Individuals representing one or more of the parties submitting indications of interest with respect to all or part of the art collection housed at the DIA. These individuals will testify regarding their proposals for all or part of the art collection housed at the DIA.

2. Stephen Spencer, Managing Director for Houlihan Lokey. Mr. Spencer will testify as an expert witness in this matter, and, as a result, on his involvement in the process of obtaining indications of interest of the art collection housed at the DIA.

FGIC reserves the right to amend or supplement the list of potential fact witnesses and further reserves the right to amend or supplement the testimony topics described herein as may be necessary, including to address any modifications or refinements to the Plan or objections

thereto or to address any new issues identified once the City completes its production of documents.

FGIC reserves the right to identify any of the fact witnesses as an expert witness in accordance with the deadlines regarding experts included in the *Fifth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor's Plan of Adjustment* [Docket No 5259].

FGIC reserves the right to call as a witness any fact witness designated by the Debtor and/or any party objecting to the Plan.

FGIC also reserves the right to call any of the following:<sup>1</sup>

3. Derek Donnelly, Senior Managing Director – Portfolio Risk Management for FGIC. Mr. Donnelly may testify regarding FGIC's claims against the City of Detroit including, but not limited to, the transactions underlying FGIC's claims and the treatment of FGIC's claims under the Plan.<sup>2</sup>

4. Seth Lehman, Senior Director at Fitch Ratings. Formerly of FGIC, Mr. Lehman may testify regarding FGIC's participation in the COPs Transactions.<sup>3</sup>

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<sup>1</sup> Many of the witnesses previously on FGIC's list of fact witnesses were intended to provide testimony solely on the issue of the validity of the COPs Transactions. As a result of the Court's determination that the validity of the COPs Transactions will not be determined at the upcoming evidentiary hearing on the Debtor's proposed Plan, those individuals have been removed and are not listed on this amended witness list.

<sup>2</sup> FGIC and the City are currently discussing a stipulation that would streamline the upcoming evidentiary hearing and obviate the need for testimony from Mr. Donnelly.

<sup>3</sup> "COPs Transactions," as used herein, means the transactions (and all amendments and supplements thereto) pursuant to which the Detroit Retirement Systems Funding Trust 2005 and the Detroit Retirement Systems Funding Trust 2006 issued certificates of participation, certain of which were insured by FGIC.

5. Irvin Corley, Jr., Fiscal Analysis Division of the City of Detroit. Mr. Corley may testify regarding any analysis conducted by him or under his direction regarding the art collection housed at the DIA and the COPs Transactions.

6. Sean Werdlow, Senior Managing Director & Chief Operating Officer of Siebert Brandford Shank & Co., LLC. Mr. Werdlow may testify regarding his activities as the City of Detroit's Chief Financial Officer.

7. Roger Short, Principal of Lane Certified Public Accountants. Mr. Short may testify regarding his activities as the City of Detroit's Chief Financial Officer.<sup>4</sup>

8. Graham Beal, Detroit Institute of Art and/or the corporate representative designee of the Detroit Institute of Art, who may testify regarding the DIA settlement and DIA issues related to the Plan.<sup>5</sup>

9. The Governor of Michigan Rick Snyder, the Governor's Chief of Staff Dennis Muchmore, and/or the corporate representative designee of the Executive Office of the Governor, who may testify regarding plan feasibility, the availability and amounts of State funding, and the ongoing role of the State.

10. Rip Rapson, President and CEO of Kresge Foundation, who may testify on Plan feasibility and the availability and importance of business and philanthropic funding during and after the City bankruptcy.

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<sup>4</sup> FGIC is in the process of considering a stipulation that would streamline the upcoming evidentiary hearing and obviate the need for testimony from Seth Lehman, Irvin Corley, Sean Werdlow, and Roger Short.

<sup>5</sup> In an abundance of caution, with the understanding the other parties may revise their witness lists prior to the upcoming evidentiary hearing, FGIC has listed certain witnesses on this amended fact witness list although they are also included on the witness lists of other parties.

DATED: June 20, 2014  
Houston, Texas

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**CERTIFICATE OF SERVICE**

I hereby certify that on June 20, 2014 *Financial Guaranty Insurance Company's Amended List of Fact Witnesses for the Hearing on the Proposed Confirmation of the Debtor's Plan* was filed and served via the Court's electronic case filing and noticing system to all registered users that have appeared in this Chapter 9 proceeding.

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